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FISCAL IMPACT REPORT

ORIGINAL DATE 2/10/07

SPONSOR Hall LAST UPDATED _____ HB 957

SHORT TITLE Educational Training For G.E.D. Candidates SB _____

ANALYST Propst

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|---------|-------------------------|------------------|
| FY07 | FY08 | | |
| | \$200.0 | Recurring | General Fund |
| | | | |

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 430 and duplicates SB 843.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Public Education Department

SUMMARY

Synopsis of Bill

House Bill 957 appropriates \$200.0 from the General Fund to the Local Government Division of the Department of Finance and Administration (DFA) for expenditure in FY08 for the City of Albuquerque and Bernalillo County to collaborate in providing educational training for persons attempting to attain their General Education Development (GED) certificate.

FISCAL IMPLICATIONS

The appropriation of \$200.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

SIGNIFICANT ISSUES

HED reports that, New Mexico is one of the lowest performing states in the percentage of young

people earning a high school credential. About 18% of New Mexico adults do not have a high school diploma or its equivalent. According to the 2000 census, 15.6% (55,858) of adults over age 25 are without a high school diploma in Bernalillo County.

Earning a high school diploma is one of the most effective ways to move into sustainable employment. The New Mexico Higher Education Department (NMHED) Adult Basic Education (ABE) Division oversees GED programs around New Mexico that help people transition to college, enter the workforce, and assist their children to be successful in school. ABE programs serve people 16 years and older whose skills are below a 12th grade equivalent.

The NMHED ABE Division currently oversees five ABE programs offering GED services in the City of Albuquerque and Bernalillo County: Central New Mexico Community College, Catholic Charities, Ser de New Mexico, Southwestern Indian Polytechnic Institute, and the University of New Mexico at Los Alamos. These programs are accountable to NMHED which has instituted a new state-of-the-art database, state-level policies, and fiscal procedures. A state-wide professional development plan has been approved by the United States Office of Vocational and Adult Education (OVAE) and is being implemented by the New Mexico Adult Education Association (NMAEA). NMAEA recently celebrated 39 years of service to the state.

ABE local programs have entered into partnerships with other agencies to enhance services offered. For example, the ENMU-Ruidoso ABE director is also the manager of that community one-stop center for workforce development. NMSU-Dona Ana Community College partners with public school Even Start programs to provide family literacy and educational opportunities to parents. Thirty-nine percent of ABE enrolled students were under 25 years of age in FY05-06. By partnering with Youth Development, Incorporated (YDI), the NMHED ABE Division can bring the existing accountability system and its best practices to the proposed program

ADMINISTRATIVE IMPLICATIONS

No specific administrative entity is mentioned in HB 957. NMHED administers a state allocation and a federal grant to operate ABE and GED programs in NM.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 957 relates to SB 430, which requests \$2,000.0 to expand ABE programs across the state. Duplicates SB 843.

ALTERNATIVES

An alternative to appropriating HB 957 funds to DFA would be to flow the funding through NMHED and the ABE accountability and professional development systems.

WEP/mt